

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

19

**December 7, 2004**

**FROM:**       **DAVID H. SLAUGHTER**, Director  
Real Estate Services Department

**J. WILLIAM INGRAHAM**, Director  
Department of Airports

**SUBJECT:   LEASE AMENDMENT WITH BUDDY A. PLASTER**

**RECOMMENDATIONS:**

1. Approve the use of an alternative procedure in lieu of a formal solicitation of proposals (SOP) as allowed per County Policy 08-03-01 to extend Lease Agreement No. 94-1119.
2. Approve Amendment No. 1 to Lease Agreement No. 94-1119 with Buddy A. Plaster to extend the term through October 31, 2009 for approximately 13,200 square feet of hangar space, 25,034 square feet of surrounding apron area, and 6,000 square feet tie down area at the Apple Valley Airport for revenue in the amount of \$148,560. (Four votes required)

**BACKGROUND INFORMATION:** On November 1, 1994, the Board approved a ten-year lease agreement, No. 94-1119, with Buddy A. Plaster for approximately 13,200 square feet of hangar space, 25,034 square feet of surrounding apron area, and 6,000 square feet tie down area to serve as a fixed based operator (FBO) at the Apple Valley Airport. The original term of the lease was from November 1, 1994 through October 31, 2004. The lease has been in holdover because of protracted negotiations with the lessee as a result of recent discussions regarding the future ownership of the Apple Valley Airport.

The Department of Airports requested Real Estate Services (RESA) negotiate a five-year lease extension with one five-year option with Buddy A. Plaster. County Policy 08-03-01 regarding the lease of real property located on a County owned or operated airport allows the use of an alternative procedure when compliance with requirements of a formal SOP would unreasonably interfere with the financial or programmatic needs of the County, or when the use of an alternative procedure would otherwise be in the best interests of the County. The FBO services provided by Mr. Plaster are a necessary and beneficial component of the Apple Valley Airport operations. Mr. Plaster has been an excellent tenant over the past eleven years providing quality services to patrons of this airport.

The lease terms are summarized as follows:

Lessee:               Buddy A. Plaster, owner

Page 1 of 2

Record of Action of the Board of Supervisors

19

**BOARD OF SUPERVISORS**  
**LEASE AGREEMENT WITH BUDDY A. PLASTER**  
**December 7, 2004**  
**Page Two of Two**

Location: Hangar No. 4, Apple Valley Airport

Size: 13,200 sq. ft. of hangar space  
 25,034 sq. ft. of surrounding space  
 6,000 sq. ft. of tie down area

Term: Five years commencing, and retroactive to, November 1, 2004

Option: One five-year option

	<u>Monthly</u>	<u>Annual</u>
Revenue:	\$2,476	\$29,712

Annual increase: Based on the percentage change to the Consumer Price Index (CPI), not to exceed 4%

Use: Fixed base operator providing fuel, tie downs and other aviation-related services

Security deposit: \$2,476

Maintenance: Provided by Lessee

Improvements: Tenant is responsible to make improvements of not less than \$35,000 to facilities within the initial 16 months. If tenant fails to make improvements, the five-year option will be voided.

**REVIEW AND APPROVAL BY OTHERS:** This item has been reviewed by County Counsel (Fiona Luke, Deputy County Counsel, 387-5455) on November 1, 2004 and the County Administrative Office [Daniel R. Kopp (387-4811) and Tom Forster (387-4635), Administrative Analysts] on November 29, 2004.

**FINANCIAL IMPACT:** The total revenue for this five-year amendment will be \$148,560 plus annual CPI increases. In 2004-05, Airports (EBJ 400) will receive revenue of \$29,712 ([\$2,382 per month + \$94 per month] x 12 months).

**COST REDUCTION REVIEW:** The County Administrative Office has reviewed this agenda item, concurs with the department's and RESD's proposal, and recommends this action based on the need to continue to generate revenue at the Apple Valley Airport. The lease will provide monthly revenue of \$2,476 to Airports.

**SUPERVISORIAL DISTRICT:** First

**PRESENTER:** David H. Slaughter, Director, 387-7813

SM: 387-7905      bas: 387-7832